



[OMB No. 3064-0121; - 0135; -0185]

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Agency information collection activities: submission for OMB review; comment request.

SUMMARY: The FDIC, as part of its obligations under the Paperwork Reduction Act of 1995, invites the general public and other Federal agencies to take this opportunity to comment on the request to renew the existing information collections described below (OMB Control No. 3064-0121; - 0135; and - 0185).

DATES: Comments must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- *<https://www.fdic.gov/resources/regulations/federal-register-publications/index.html>.*
- *Email: comments@fdic.gov.* Include the name and number of the collection in the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Regulatory Counsel, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- *Hand Delivery:* Comments may be hand-delivered to the guard station at the rear of the 17th Street building (located on F Street), on business days between 7:00 a.m. and 5:00 p.m.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to

www.reginfo.gov/public/do/PRAMain . Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function.

FOR FURTHER INFORMATION, CONTACT: Manny Cabeza, Regulatory Counsel, 202-898-3767, mcabeza@fdic.gov, MB-3128, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to renew the following currently approved collections of information:

1. Title: Certification of Compliance with Mandatory Bars to Employment

OMB Number: 3064-0121.

Form Number: 2120/16

Affected Public: Individuals seeking employment from the FDIC.

Burden Estimate:

Estimated Annual Burden (OMB 3064-0121)

Information Collection Description	Type of Burden	Estimated Number of Respondents	Estimated Number of Responses per Respondent	Estimated Time per Response (Minutes))	Estimated Annual Burden (Hours)
Form 2120/16	Reporting	528	1	10	88
Total Annual Burden					88

General Description of Collection: This information collection arises from the reporting requirements contained in 12 CFR part 336, subpart B, of the FDIC Rules and Regulations entitled “Minimum Standards of Fitness for Employment with the Federal Deposit Insurance Corporation”. This rule implements Section 19 of the Resolution Trust Corporation Completion Act (Completion Act), Pub. L. 103-204, by (among other things) prescribing a certification, with attachments in some cases, relating to job applicants' fitness and integrity. More specifically, the statute provides that the FDIC shall issue regulations implementing provisions that prohibit any person from becoming

employed by the FDIC who has been convicted of any felony; has been removed from, or prohibited from participating in the affairs of, any insured depository institution pursuant to any final enforcement action by any appropriate federal banking agency; has demonstrated a pattern or practice of defalcation regarding obligations to insured depository institutions; or has caused a substantial loss to federal deposit insurance funds. This collection of information implements these mandatory bars to employment through a certification, signed by job applicants prior to an offer of employment using form 2120/16. There has been no change in the method or substance of this information collection. The change in estimated annual burden is due to an increase in the estimated number of new hires from an annual average of 500 in 2018 to an annual average of 528 currently.

2. Title: Purchaser Eligibility Certification.

OMB Number: 3064-0135.

Form Number: 7300-06

Affected Public: Individuals and entities wishing to purchase receivership assets from the FDIC.

Burden Estimate:

Estimated Annual Burden (OMB No. 3064-0135)						
Information Collection Description	Type of Burden (Obligation to Respond)	Frequency of Response	Number of Respondents	Number of Responses per Respondent	Hours per Response (Minutes)	Estimated Annual Burden (Hours)
Purchaser Eligibility Certification (Form No. 7300-06)	Reporting (Voluntary to obtain a benefit)	On occasion	380	1	30	190
Total Estimated Annual Burden (Hours):						190
Source: FDIC.						

General Description of Collection: The FDIC is statutorily prohibited from selling assets held by insured depository institutions that have been placed under the conservatorship or receivership of the FDIC to individuals or entities that profited or engaged in wrongdoing

at the expense of those failed institutions, or seriously mismanaged those failed institutions.¹ This statutory prohibition is implemented by regulation.² The FDIC uses Form No. 7300-06: Purchaser Eligibility Certification (PEC) to determine an entity or person's eligibility to purchase assets. This Information Collection (IC) pertains to the voluntary submission of the PEC by persons seeking to certify their eligibility to be able to purchase receivership assets. Potential respondents to this IC include any entity or individual that wishes to bid on or purchase assets held by insured depository institutions that have been placed under the conservatorship or receivership of the FDIC. This IC contains one reporting requirement. The FDIC arrived at the estimated time to respond estimate of 30 minutes per PEC form, through observation of individuals completing these forms at open-outcry auction events. Since the form has not been revised, the FDIC believes this estimate remains reasonable and appropriate for this ICR. The FDIC estimated the number of respondents by tabulating the number of PECs received in each year between 2015 and 2020. Over that period, the FDIC received 2,282 PECs, or approximately 380 PECs per year on average.

3. Title: Resolution plans required for insured depository institutions with \$100 billion or more in total assets

OMB Number: 3064-0185.

Form Number: None

Affected Public: FDIC insured depository institutions with \$50 billion or more in total assets.

Burden Estimate:

Summary of Estimated Annual Implementation Burdens (OMB No. 3064-0185)						
Description	Type of Burden (Obligation to Respond)	Frequency of Response	Number of Respondents	Number of Responses / Respondent	Time per Response (Hours)	Estimated Annual Burden (Hours)

¹ 12 U.S.C. §1821(p).

² 12 CFR 340.

Resolution Plan Updates by GSIB specified CIDs	Reporting (Mandatory)	Annual (3 year cycle)	9	1	21,920	197,280
Resolution Plan Updates non-GSIB specified CIDs	Reporting (Mandatory)	Annual (3 year cycle)	22	1	3785.5	83,281
Resolution Plans by New Filers	Reporting (Mandatory)	Annual (3 year cycle)	2	1	4430.7	8,861.4
Notice of Material Change	Reporting (Mandatory)	On occasion	2	1	120	240
Exemption Request	Reporting (Required to obtain benefit)	On occasion	1	1	1	1
Total Estimated Annual Burden: 289,663.4 hours						
Source: FDIC.						

General Description of Collection: In 2012, the FDIC issued a rule requiring covered insured depository institutions (CIDs)³ to submit resolution plans to the FDIC (Rule).⁴ The Rule was established to facilitate the FDIC's readiness to resolve a CID under the Federal Deposit Insurance Act (FDI Act).⁵ Since issuing the Rule in 2012, the FDIC and CIDs have been through multiple resolution plan submission cycles. Through this experience, the FDIC has learned what aspects of the resolution planning process are most valuable and what could be clarified or exempted. Furthermore, the FDIC has gained additional resolution capabilities relevant to IDI resolution through separate rulemakings subsequent to the issuance of the IDI Rule.⁶

In November 2018, FDIC Chairman McWilliams announced that the agency planned to revise the IDI Rule, and that the next round of resolution plans submitted pursuant to the IDI Rule would not be required until the rulemaking process was complete.⁷ The FDIC

³ According to 12 CFR 360.10(b)(4), covered insured depository institution means an insured depository institution with \$50 billion or more in total assets, as determined based upon the average of the institution's four most recent Reports of Condition and Income or Thrift Financial Reports (Call Report), as applicable to the insured depository institution.

⁴ 77 FR 3075

⁵ 12 USC 1811, *et seq.*

⁶ *See, e.g.*, 12 CFR parts 370 & 371.

⁷ *See* FDIC Chairman Jelena McWilliams, "Keynote Remarks," speech before the 2018 Annual Conference of The Clearing House (TCH) and Bank Policy Institute (BPI) (November 28, 2018), available at <https://www.fdic.gov/news/news/speeches/spnov2818.html>.

partially lifted the resolution plan moratorium for CIDs with \$100 billion or more in assets on January 19, 2021.⁸ On June 25, 2021, the FDIC issued a statement (Statement) that outlined a modified approach to implementing the Rule.⁹ The modified approach applies to IDs with \$100 billion or more in total assets (specified CIDs) and announces the FDIC's intent to extend the submission frequency to a three-year cycle, streamline content requirements, and place greater emphasis on engagement with firms. In the Statement, the FDIC stated that it intends to send a letter to each specified CID advising it of the timing of its next resolution plan submission during the three-year cycle. To streamline content requirements, the FDIC has exempted all specified CIDs from including in their resolution plans the provision, identification, description, or discussion of the following topics: Least Costly Resolution Method; Asset Valuation and Sales, Major Counterparties; Material Entity Financial Statements; Systemically Important Functions; Backup Plans; Assessment of the Resolution Plan; and High-Level Description of Resolution Strategy.¹⁰ In addition, the FDIC plans to exempt certain specified CIDs from additional content items required under the Rule; these exemptions are tailored to the specified CID's own circumstances and will be communicated to each specified CID in the FDIC's letter. Specified CIDs may also submit written requests to the FDIC for exemptions from additional categories of information, which should include a description of why the information would not be useful or material to the FDIC in planning to resolve the specified CID. The Statement also clarifies the post-submission engagement process and contemplates one such engagement per specified CID per three-year resolution plan cycle. At present, CIDs with less than \$100 billion in total assets are not expected to submit resolution plans during the period of this IC.

⁸ See FDIC Announces Lifting IDI Plan Moratorium (January 19, 2021), available at <https://www.fdic.gov/resauthority/idi-statement-01-19-2021.pdf>

⁹ See Statement on Resolution Plans for Insured Depository Institutions, available at <https://www.fdic.gov/resauthority/idi-statement-06-25-2021.pdf>

¹⁰ Id. at page 9.

The Rule contains “collections of information” as defined by the Paperwork Reduction Act (PRA) of 1995. As such, the FDIC must obtain approval by the Office of Management and Budget prior to collecting said collections of information. This IC was last approved for renewal on December 6, 2018 for an estimated 43 annual responses and a total estimated annual burden estimate of 572,791 hours.

Given the changes to the PRA requirements of the Rule since the 2018 ICR, the FDIC has revised the delineation of burdens. As per their changes, the IC now comprises the following line items:

1. Resolution Plan Updates by specified CIDs whose top tier parent company is a U.S. global systemically important bank as defined in 12 CFR § 217.402 (GSIB specified CIDs).
2. Resolution Plan Updates by specified CIDs whose top tier parent company is not a U.S. global systemically important bank (non-GSIB specified CIDs).
3. Resolution Plans by New Filers.
4. Notices of Material Change.
5. Exemption Requests.

Potential respondents to this IC, as defined by the Rule under the modified approach described in the Statement, are specified CIDs, or IDIs with total assets greater than or equal to \$100 billion, based upon the average of the IDI’s four most recent Call Reports. As of March 31, 2021, there are 33 IDIs meeting those requirements.¹¹ The FDIC anticipates that one of these Specified CIDs will cease to exist due to its pending merger with another specified CID.¹² The FDIC also anticipates that a new specified CID will be created due to the pending merger of two IDIs with expected combined assets over

¹¹ FDIC Call Report Data, March 31, 2021.

¹² See FRB Order No. 2021-04 (May 14, 2021), available at <https://www.federalreserve.gov/newsevents/pressreleases/files/orders20210514a1.pdf>, last accessed on July 16, 2021.

\$100 billion.¹³ Thus, on net, the FDIC anticipates that there will be 33 potential respondents to this IC. The estimated number of respondents will vary by line item.

Resolution Plan Updates:

Of the set of potential respondents, the FDIC estimates that 9 GSIB Specified CIDs and 22 non-GSIB specified CIDs will submit Resolution Plan Updates.¹⁴ To estimate the burden imposed by the Rule under the modified approach described in the Statement, FDIC started with the methodology used in the 2018 ICR. That methodology relied on results from a survey of seven banks to estimate an average PRA burden per submission of 65 hours per billion dollars of assets. FDIC then made the following adjustments to the burden estimate to reflect the modified approach described in the Statement:

- Reduced the estimated average PRA burden by five hours per billion dollars of assets to reflect the exclusion of content the Statement announced the FDIC would exempt from the specified CIDs' resolution plans.¹⁵
- Reduced the estimated average PRA burden by two hours per billion dollars of assets to reflect the rescission of guidance that had requested that each CIDI provide information on how a failure scenario would impact its creditor stack.¹⁶
- Increased the estimated average PRA burden by 2 hours per billion of assets to reflect the anticipated engagement contemplated in the Statement, which contemplates one such engagement per specified CIDI over the three-year filing period.¹⁷

¹³ See First Citizens BancShares, Inc., "First Citizens, CIT Receive FDIC Approval of Proposed Merger," July 14, 2021, available at <https://www.globenewswire.com/news-release/2021/07/14/2262762/0/en/First-Citizens-CIT-Receive-FDIC-Approval-of-Proposed-Merger.html>, last accessed on July 16, 2021.

¹⁴ Based on FDIC Call Report Data, March 31, 2021.

¹⁵ See Statement, at page 9.

¹⁶ *Id.*

¹⁷ *Id.* at page 10

- Reduced the estimated average burdens for GSIB specified CIDs by four percent to reflect expected exemptions tailored to each GSIB specified CID. The four percent reduction was estimated by dividing the total number of such exemptions across all GSIB specified CIDs (8) by the total number of required content items across all GSIB specified CIDs (198).
- Further reduced the estimated average burdens for non-GSIB specified CIDs by 20 percent to reflect expected exemptions tailored to each non-GSIB specified CID. The 20 percent reduction was estimated by dividing the total number of such exemptions across all non-GSIB specified CIDs (97) by the total number of required content items across all non-GSIB specified CIDs (484).

Based on the above methodology, FDIC estimates that the burden hours per submission would be 57.6 hours per billion dollars for Resolution Plan Updates by GSIB specified CIDs.¹⁸ Using assets reported on Call Reports for the nine GSIB specified CIDs, we estimate a total burden of 591,840 hours for Resolution Plan Updates by GSIB specified CIDs, or an average of 65,760 hours per submission.¹⁹

Using the same methodology, FDIC estimates that the burden hours per submission to be 48 hours per billion dollars for non-GSIB specified CIDs.²⁰ Using the assets reported on the latest Call Report for the 22 non-GSIB specified CIDs, we estimate a total burden of 249,840 hours for Resolution Plan Updates by non-GSIB specified CIDs, or an average of 11,356 hours per submission.²¹

¹⁸ 57.6 hours = (65 hours – 5 hours – 2 hours + 2 hours) × (100 percent - 4 percent)

¹⁹ 65,760 hours per submission = 591,840 hours for nine submissions / 9 submissions. 591,840 hours = 57.6 hours per submission per billion dollars in asset × \$10,275 billion in assets, as reported in the March 31, 2021 Call Report

²⁰ 48 hours = (65 hours – 5 hours – 2 hours + 2 hours) × (100 percent - 20 percent)

²¹ 11,356 hours per submission = 249,840 hours for twenty-two submissions / 22 submissions. 249,840 hours = 48 hours per submission per billion dollars in asset × \$5,205 billion in assets, as reported in the

Under the modified approach described in the Statement, each respondent is expected to prepare a single submission in the upcoming three-year renewal cycle, resulting in a response rate of one in three years (or 1/3 per year). Because the OMB's PRA renewal system limits annual responses to values greater than or equal to one, however, FDIC uses an annual rate of one response by both GSIB specified CIDs and non-GSIB specified CIDs (rather than 1/3). To estimate the annual hourly burden incurred by a respondent, we divide the estimated burden hours per submission by three to arrive at the estimated burden hours per year. Thus, FDIC estimates that Resolution Plan Updates by GSIB specified CIDs will incur 21,920 hours per year²² and Resolution Plan Updates by non-GSIB specified CIDs will incur 3,785.5 hours per year.²³

Resolution Plans by New Filers:

Of the set of potential respondents, the FDIC estimates that two Specified CIDs will each submit a new Resolution Plan (i.e., submit a plan for the first time).²⁴ To estimate the burden imposed by the Rule under the modified approach described in the Statement, FDIC started with the methodology used in the 2018 ICR. That methodology assumed that IDIs that cross the \$50 billion threshold will incur approximately 7,200 hours to prepare and submit their first resolution plan. This estimate is substantially higher than a comparative CIDI completing an annual update due to the higher costs of preparing a resolution plan for the first time.²⁵ Given that, under modified approach described in the Statement, the total asset threshold is \$100 billion in assets rather than \$50 billion in assets, as was the case in the 2018 ICR, and the submission moratorium on CIDs with less than \$100 billion in total assets remains in place, the FDIC believes that 14,400

March 31, 2021 Call Report. We adjust the assets of one non-GSIB specified CIDI to include the assets of the IDI that merged with it.

²² 21,920 hours per year = 65,760 hours per submission / 3 years per submission.

²³ 3,785 hours per year = 11,356 hours per submission / 3 years per submission.

²⁴ Based on FDIC Call Report Data, March 31, 2021, one specified CIDI has not previously submitted a plan and two CIDs will merge to become a specified CIDI.

²⁵ For example, using the 65 hours per billion dollars parameter, a CIDI with \$50 billion in assets is estimated to incur 3,250 hours to prepare and submit a Resolution Plan Update.

hours (7,200 hours × 2) is a reasonable and appropriate estimate for the burden of first time submissions under the Rule for purposes of this IC. Furthermore, note that the non-individual streamlined content exemptions and engagement changes described above, taken together, reduce the estimated average burden hours of Resolution Plan Updates by 7.7 percent.²⁶ The FDIC believes that these changes would also reduce the burden of first time submissions by the same percentage. Thus, FDIC estimates that that each first time Resolution Plan submission will take 13,292 hours to prepare.²⁷

As stated above, each respondent is expected to prepare a single submission in the upcoming three-year cycle, resulting in a response rate equal to 1/3 per year. Because the OMB's PRA renewal system limits annual responses to values greater than or equal to one, however, FDIC uses an annual rate of one response by New Filers. To estimate the annual hourly burden incurred by a respondent, FDIC divides the estimated burden hours per submission by three to arrive at the estimated burden hours per year. Thus, FDIC estimates that Resolution Plans by New Filers will incur 4,430.7 hours per year.²⁸

Notice of Material Change:

According to the Rule, a CIDI shall file with the FDIC a notice no later than 45 days after any event, occurrence, change in conditions or circumstances or other change that results in, or could reasonably be foreseen to have, a material effect on the resolution plan of the CIDI.²⁹ The 2018 ICR estimated one annual respondent, two annual responses per respondent, and 120 hours of burden per response, for this Notice of Material Change. The FDIC believes that two annual respondents each with one annual response per respondent is a more reasonable and appropriate estimate, and this estimate reflects that change. Thus FDIC estimates two annual respondents, one annual response per

²⁶ 7.7 percent = 5 hours / 65 hours * 100 percent.

²⁷ 13,292 hours = 14,400 × (100 percent - 7.7 percent))

²⁸ 4,430.7 hours per year = 13,292 hours per submission / 3 years per submission.

²⁹ See 12 CFR 360.10(c)(1)(v).

respondent, and 120 hours of burden per response for the line item Notice of Material Change.

Exemption Request:

As described above, the Rule and the Statement permit a specified CIDI to seek exemptions from the informational requirements of the Rule beyond those described in the Statement or in the letter from the FDIC to the specified CIDI. Such a request should be in writing and include a “description of why the information would not be useful or material to the FDIC”³⁰ Since the FDIC does not have access to information that would enable it to estimate how many institutions will seek to submit an exemption request or how long it would take to prepare such a request, the FDIC uses placeholder estimates of one such exemption request and one burden hour to complete it.³¹ Thus FDIC estimates one annual respondent, one annual response per respondent, and one hour of burden per response for the line item Exemption Request.

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC’s functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

³⁰ See Statement at page 10.

³¹ The SMEs considered basing an estimate for a § 360.10 exemption request on the estimate of 20 burden hours recently used for an exemption request under § 360.9. The SMEs ultimately determined that the exemption requests under the two provisions were unlikely to be analogous, however, and that the breadth and variability of § 360.10 exemption requests made it impracticable for the FDIC to develop a meaningful estimate without additional information that is not currently available.

Federal Deposit Insurance Corporation.
Dated at Washington, DC, on December 15, 2021.

James P. Sheesley,
Assistant Executive Secretary.

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